



# **COUNTY OF LOS ANGELES**

## **CHIEF INFORMATION OFFICE**

500 West Temple Street  
493 Kenneth Hahn Hall of Administration  
Los Angeles, CA 90012

**JON W. FULLINWIDER**  
CHIEF INFORMATION OFFICER

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January 30, 2007

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

**AMENDMENT NUMBER ONE TO SOFTWARE SERVICES MASTER AGREEMENT  
WITH COGNOS CORPORATION  
(3 Votes)**

**IT IS RECOMMENDED THAT YOUR BOARD:**

1. Approve and instruct the Chairman of the Board to sign Amendment Number One to the Software Services Master Agreement Number 75270 with Cognos Corporation (Cognos) for Business Intelligence Software (BIS) Services to increase the maximum Contract Sum from \$4,000,000 to \$8,000,000.
2. Delegate to the Chief Information Officer (CIO), pursuant to the terms of the Agreement, the authority at his discretion to approve and execute Work Orders on the behalf of County departments for software services requested under this Agreement having a maximum sum of \$300,000.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The proposed Amendment provides County departments with continued consulting services to aid in the development and implementation of the BIS applications to provide consistent ad hoc reporting and development of departmental BIS reporting infrastructures, data warehouses and datamarts that will assist departments in tracking its operational data for improving departmental efficiencies and effectiveness. It also enables departments to track and take action on their Performance Counts! measurements as specified in the County's Strategic Plan Update.

The Agreement, as amended, offers the flexibility necessary to meet varied departmental needs while providing a structure for acquiring needed services through a streamlined acquisition process that is standard across the entire enterprise. Under the Work Order issuance process, individual Department Heads will continue having discretion and accountability for their respective projects.

County departments have executed Work Orders totaling \$20,540 for Installation Services, \$269,536 for Training Services, \$255,696 for Professional Services and \$2,777,572 for Consulting Services for a total of \$3,332,344 under the Agreement. As departments continue to deploy data warehouses and reporting applications, the CIO is requesting that the total Contract Sum be raised from \$4,000,000 to \$8,000,000 to accommodate the continuing demand for the BIS Work Orders. Your Board authorized the CIO to execute a series of BIS Work Orders enabling the Department of Public Social Services (DPSS) to construct a data warehouse and BIS reporting solution for their public assistance data sources. The data warehouse project is ready for the final phase of loading the data warehouse with three years of historical data.

Final approval of the Work Orders to complete the DPSS data warehouse project will exceed the \$4,000,000 cap of the original Software Services Master Agreement Number 75270. Approval of this Amendment by your Board will enable DPSS to complete their data warehouse project as well as other County departments to continue their planning, designing, and implementing their Business Intelligence and reporting applications with an easily accessible Master Agreement for Business Intelligence Software consulting services, training for the County's workforce, knowledgeable professional resources that can assist the County in the design of its reporting infrastructure to ensure timely and accurate reporting, and installation services to assist the County in implementing the designed reporting infrastructure.

The CIO is also seeking approval to execute Work Orders up to a maximum amount of \$300,000. Work Orders over \$300,000 will continue to be sent to your Board for approval. The extension from original CIO approval limit of \$100,000 to \$300,000 is in line with other master services agreements sponsored by the CIO such as the Board approved IBM Master Services Agreement.

#### Implementation of Strategic Plan Goals

The recommended action supports the County's Strategic Plan Goal Number 3: Organizational Effectiveness. The Agreement with an increased Contract Sum will enable County departments to continue to improve their ability to promptly respond to your Board's request for information, as well as meeting those Strategic Plan Goals and Objectives requiring systems that measure and report progress towards improving departmental outcomes.

As the County continues to improve its BIS reporting infrastructure and to deploy BIS applications to track its operational data for improving departmental efficiencies and effectiveness and to track Performance Counts! Measurements, the proposed Agreement, as amended, will play an increasing role in achieving the County's Strategic Plan Goals and Objectives.

### **BACKGROUND**

In May 2004, Cognos was selected as the vendor to provide an enterprise Business Intelligence Software solution for the County of Los Angeles. The selection was a culmination of a countywide effort led by the CIO in concert with five County departments to develop countywide Business Intelligence requirements, construct a Request For Proposals (RFP) using these requirements, and work with the Internal Services Department (ISD) to issue a competitive solicitation.

ISD's Purchasing/Materials Management Division released RFP No. 212707 for a Business Intelligence Software solution. Cognos Corporation was selected as the highest rated vendor based on the evaluation criteria and demonstrations. With the assistance of the Office of the County Counsel, a Business Intelligence Software License Agreement (SLA) with Cognos was finalized and executed by the County's Purchasing Agent on May 27, 2004. The SLA is for the commodity purchase of Cognos software licenses and provides limited access to Cognos services.

Departments will continue to access the SLA for the purchase of Cognos software licenses, while acquiring installation services, training services, and consulting services that are needed to deploy the purchased software under the Software Services Master Agreement. Approval of this Amendment Number One will provide departments with continued access to these services for deploying Cognos software products.

### **FISCAL IMPACT/FINANCING**

By approving this Amendment Number One, the County departments will continue acquiring services under Work Orders, which are governed by the terms and conditions set forth in the Agreement, up to the Contract Sum of Eight Million Dollars (\$8,000,000) for the potential seven (7) year term of the Agreement. Funding will continue to be obtained from departmental budgets.

The Administration provisions of the Agreement require confirmation that funding is available before each individual Work Order is executed. My office will continue to provide semi-annual reports to your Board on the usage of this Agreement.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The Amendment to the Software Services Master Agreement will enable departments to continue to submit Work Orders for software installation, consulting services, training, and expertise in the use of Cognos Business Intelligence Software technology. Work Orders over \$300,000 shall be directed to your Board for approval by the respective departments. Work Orders of \$300,000 or less would be executed by the CIO.

The proposed Amendment Number One has been approved as to form by County Counsel. The Agreement, as amended by the proposed Amendment, contains all County required contract provisions.

### **CONTRACTING PROCESS**

Cognos was selected, through a formal open, competitive solicitation process, as the provider of Business Intelligence Software solutions for the County. Following execution of a Business Intelligence Software License Agreement by the County's Purchasing Agent on May 10, 2005, your Board approved the Software Services Master Agreement Number 75270 with Cognos to provide Business Intelligence Software installation, consulting services, employee training, design assistance and expertise in the use of Cognos business intelligence technology with a Contract Sum of \$4,000,000 for all Work Orders executed under the Agreement. Approval of this Amendment, which increases the Contract Sum to \$8,000,000, will enable departments to continue to use these services.

### **IMPACT ON CURRENT SERVICES/PROJECTS**

The proposed Amendment will provide County departments with continued access to Cognos consulting services for improving their BIS reporting infrastructures and to deploy BIS applications. There will be no impact upon, or interruption of, the current services being provided by Cognos.

**CONCLUSION**

Upon approval by your Board, it is requested that the Executive Officer-Clerk of the Board return one (1) adopted copy of the Board letter and three (3) executed copies of this Amendment to the Chief Information Office for further processing.

Respectively submitted,



JON W. FULLINWIDER  
Chief Information Officer

JWF:JH:sjc

**Attachments**

c: Chief Administrative Office  
Executive Officer, Board of Supervisors  
County Counsel  
Information Systems Commission

**AMENDMENT NUMBER ONE**  
**To**  
**SOFTWARE SERVICES AGREEMENT NUMBER 75270**  
**BY AND BETWEEN**  
**THE COUNTY OF LOS ANGELES**  
**AND**  
**COGNOS CORPORATION**  
**FOR**  
**BUSINESS INTELLIGENCE SOFTWARE SERVICES**

This Amendment Number One is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2007 by and between the County of Los Angeles (hereinafter "County") and Cognos Corporation, a Delaware corporation (hereinafter "Contractor").

**WHEREAS**, on May 10, 2005, County and Contractor entered into a Software Services Agreement Number 75270 (hereinafter "Agreement") for the provision of Business Intelligence Software (hereinafter "BIS") Services, which resulted from County's Request for Proposals (hereinafter "RFP") for the BIS solution; and

**WHEREAS**, County and Contractor desire to amend the Agreement to increase the maximum cumulative amount allocated for work orders executed under the Agreement (hereinafter "Contract Sum") from \$4,000,000 to \$8,000,000, in order to allow County departments to continue acquiring BIS implementation and consulting services in light of County's continued demand therefor.

**NOW THEREFORE**, in consideration of the foregoing and pursuant to Paragraph 10 (Change Notices and Amendments) of the Agreement, County and Contractor hereby agree to amend the Agreement as follows:

1. Paragraph 12.3 under Paragraph 12 (Contract Prices and Fees) of the body of the Agreement is revised to read as follows:
  - 12.3 The Contract Sum shall be the total monetary amount payable by County to Contractor for supplying the Services under this Agreement. The Contract Sum, including all applicable taxes, authorized by County hereunder, shall not exceed Eight Million Dollars (\$8,000,000).
2. Except as provided in this Amendment Number One, all other terms and conditions of the Agreement remain unchanged and in full force in effect.

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IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment Number One to be subscribed by its Chair, and Contractor has caused this Amendment Number One to be subscribed in its behalf by its duly authorized officer as of the day, month and year first above written.

COUNTY:  
COUNTY OF LOS ANGELES

By \_\_\_\_\_  
Chairman, Board of Supervisors

CONTRACTOR:  
COGNOS CORPORATION

By KPSL \_\_\_\_\_  
Signature

Kevin P. Shone  
Sr. Corporate Counsel/Secretary  
\_\_\_\_\_  
Title

ATTEST:

SACHI A. HAMAI  
EXECUTIVE OFFICER  
OF THE BOARD OF SUPERVISORS

By \_\_\_\_\_

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.  
COUNTY COUNSEL

By Victoria Mansourian \_\_\_\_\_  
VICTORIA MANSOURIAN  
DEPUTY COUNTY COUNSEL